

Chapter 402. Lawful Gambling*

*Editor's note--Ordinance No. 17384, Sec. 1, adopted Aug. 7, 1986, amended the Legislative Code by repealing Ch. 402, Bingo, substantive provisions of which consisted of Sec. 402.01--402.04, and which derived from Sec. 410.01--410.06 and 410.08--410.17 of the city's 1956 Code, and from the following ordinances:

Oral. No.	Sec.	Date	Oral. No.	Sec.	Date
16923	--	5-27-82	17191	--	12-13-84
17084	--	12-6-83	17336	1	3-27-86

In addition, Oral. No. 17384 enacted new provisions which were designated and included herein as a new Ch. 402.

Cross reference(s)--Gambling, Ch. 270; bingo halls, Ch. 403; game rooms, Ch. 406; pull- tabs and tipboards in bars, Sec. 409.21.

Sec. 402.01. Definitions.

As used in this chapter, the terms defined in Minnesota Statutes, Section 349.12 are incorporated herein by reference and shall be applicable to the provisions contained herein.

(Oral. No. 17384, Sec. 1, 8-7-86)

Sec. 402.02. Gambling prohibited; exception.

No person except an organization licensed by the State Charitable Gambling Control Board pursuant to Minnesota Statutes, Chapter 349, or an organization permitted under this chapter, shall conduct lawful gambling within the corporate limits of the City of Saint Paul.

(Oral. No. 17384, Sec. 1, 8-7-86)

Sec. 402.03. General regulations.

(a) The following regulations and restrictions shall apply to lawful gambling conducted within the City of Saint Paul and shall apply to organizations licensed by the state pursuant to Minnesota Statutes, Chapter 349, and to organizations issued permits pursuant to this chapter.

(b) *Prize limits.* Prize limits for lawful gambling shall not exceed the limits permitted by state law.

(c) *Liquor and minors/bingo.* No intoxicating or nonintoxicating liquor or beer shall be

sold, served or consumed in the room where the bingo game is conducted.

(d) *Bingo--Game conduct and procedure:*

- (1) Public view of proceedings: All bingo games shall be conducted in full view of the public and all accounting for and changing of money shall take place in the game room or hall in full view of game participants.
- (2) Numbers: The selection and calling of numbers shall be in view of game participants and all numbers called shall be determined by chance by use of a fix-proof device of a kind approved by the inspector.
- (3) Record of numbers: The organization shall maintain in full public view a record of the number of bingo games played or that is being played at all times during each bingo session.

(e) *Time and place limitations.* All such organizations shall comply with the requirements of state law as to the allowable number of bingo occasions and other time and place limitations, and such reasonable conditions and restrictions, including, but not limited to, by reason of this specification, restrictions on the number of occasions and/or hours of operation, as may be imposed on the applicable bingo, gambling or bingo hall license.

(f) *Bingo regulations--State licenses.* The following regulations apply only to charitable organizations licensed by the State Charitable Gambling Control Board for the conduct of bingo.

- (1) Age limitation: No person under the age of eighteen (18) years shall be allowed in the room while bingo games are conducted.
- (2) Limitation of number of bingo licenses: No more than seventy (70) bingo licenses shall be issued or permitted to be issued in the City of Saint Paul. This restriction shall apply only to bingo licenses issued for more than four (4) bingo occasions during a twelve-month period issued by the Minnesota State Charitable Gambling Control Board.
- (3) Pull-tabs and tipboards: Pull-tabs and tipboards may be sold only during the hours that bingo may be conducted and one-half hour before and after each bingo occasion, shall be sold only from a booth approved by the inspector, and shall be used solely by the charitable organization for that purpose. In addition, pull-tabs may be sold from a movable cart at the same time that they may be sold from a booth, provided that the entire pull-tab deal shall be displayed at all times for sales from a booth, cart or both. Pull-tabs and tipboards shall be sold in the manner described in subsections 409.22(f) through (o) of this Legislative Code.

(g) *Raffle regulation.* No person or organization, whether or not licensed by the state or issued a permit under this chapter, shall conductor allow to be conducted under its name more than four (4) raffles in any calendar year.

(h) *Pull-tabs; information required to be posted.* In accordance with the provisions of Minnesota Statutes, Section 349.172, organizations selling pull-tabs must post in a prominent place at the point of sale all major prizes that have been awarded from each deal of pull-tabs. Posting of major prizes shall be done immediately upon awarding of the prize.

(Ord. No. 17384, Sec. 1, 8-7-86; Ord. No. 17657, Sec.3, 6-8-89; Ord. No. 17726, Sec.1, 4-26-90; Ord. No. 17804, Sec.1, 1-15-91; Ord. No. 17819, Sec.1, 4-11-91; C.F. No. 92-990, Sec. 1, 9-24-92; C.F.

No. 95-971, Sec. 1, 9-6-95)

Cross reference(s) --Misrepresentation of age by minors for possession of liquor and beer, Ch. 244; intoxicating liquor, Ch. 409; nonintoxicating malt liquor, Ch. 410.

Sec. 402.04. State gambling licenses.

(a) *Notice of application.* Applicants for state-issued gambling licenses shall file notice of application with the license inspector. The inspector shall investigate the applicant and shall report to the council in sufficient time so that the council may consider the approval or disapproval thereof within the thirty-day period provided by Minnesota Statutes, Chapter 349. Applicants shall provide the inspector with all information requested, and failure to do so may be cause for the council's disapproval of its application.

(b) *Reports.* A licensed organization shall file with the inspector copies of all reports which it is required to file with the State Gambling Control Board, and shall do so within seven (7) days of filing the report with the board. Failure to comply with this provision may constitute grounds for disapproval of state gambling licenses by the city council.

(Ord. No. 17384, Sec.1, 8-7-86)

Sec. 402.05. Local gambling tax.

(a) *Tax imposed.* There is hereby imposed a tax of two (2) percent on the gross receipts less prizes from all lawful gambling taking place within the city and received by any person or organization licensed pursuant to Minnesota Statutes, Chapter 349.

(b) *Use of tax proceeds.* All tax proceeds shall be used for the purpose of regulating lawful gambling within the city.

(c) *When due and payable.* The tax imposed by this chapter shall be due and payable to the inspector on or before the last day of the month next succeeding the month in which the organization collected gross receipts from charitable gambling. Remittance of the full amount of the tax shall be accompanied by completed monthly returns on forms prepared by the inspector, containing all the information required thereon. The inspector may adopt or use all or parts of state forms used under Minnesota Statutes, Chapter 349.

(d) *Tax forms, rules and regulations.* The inspector shall devise and furnish upon request to all those required to pay the tax suitable form returns on which to report and account for all taxes required to be paid under this section. The inspector may, upon notice and hearing, adopt such rules and regulations as may be necessary to effect collection of the tax.

(e) *Reports to state.* In compliance with Minnesota Statutes, Section 349.212, subdivision 5, the inspector shall file by March 15 of each year a report with the Minnesota gambling control board in the form prescribed by said board showing the amount of revenue produced by the tax during the preceding calendar year and the use of the proceeds of the tax.

(f) *Late payment penalty.* If a tax payment is not received by the inspector on or before the due date provided above, a late payment fee of ten (10) percent of the total amount of tax proceeds due and owing on any given due date shall be added to the tax total and paid by the person or organization before the next monthly tax due date. An additional ten (10) percent late payment fee shall be added to the total due for each month during which due tax proceeds are not paid or withheld. Failure to make any required tax proceeds payment shall be sufficient grounds for adverse action by the council pursuant to sections 310.05 and 310.06 of this Legislative Code, and

the council may impose payment of taxes and late fees in full as a condition precedent to further operation of the licensed activity, in addition to any other penalties including suspension or revocation.

(Oral. No. 17384, Sec.1, 8-7-86; Oral. No. 17795, Sec. 1,3, 12-13-90; C.F. No. 93-1872,\$1, 11-30-93; C.F. No. 95-27, Sec. 1, 2, 2-1-95)

Sec. 402.06. City permit required; administration as Class II license.

(a) *City permit required.* Lawful gambling by organizations not required to obtain a state license pursuant to said Chapter 349 maybe conducted in the City of Saint Paul if an organization has been issued a permit approved by council resolution and upon compliance with the provisions of this chapter.

(b) *Class II permit.* Notwithstanding any other provision of law to the contrary, the gambling permit provided herein shall be administered as a Class II license and subject to those provisions of these chapters governing Class II licenses. The inspector shall make all referrals as provided by section 310.03, but the director may require the inspector to issue such permit before receiving any recommendations on the application therefore if necessary to issue such license on a timely basis.

(Ord. No. 17384, Sec.1, 8-7-86; Ord. No. 17569, Sec. 2, 6-7-88)

Sec. 402.07. City permit application.

Application for city gambling permit shall be made to the inspector upon an application form supplied to the inspector, together with such additional information as may be required by the inspector. A separate application shall be required for each separate day or occurrence on which the gambling event is to be conducted. Applications must be filed with the inspector at least seven (7) days prior to the requested date of the gambling event.

(Ord. No. 17384, Sec.1, 8-7-86; Ord. No. 17569, Sec. 3, 6-7-88)

Sec. 402.08. Permit fee.

Permit fees for each day or occurrence for proposed gambling areas follows:

(a) Bingo, raffles, paddle wheels, tipboards and pull-tabs--\$ 100.00.

(b) Paddle wheels, tip boards and pull-tabs only--\$50.00.

(c) Bingo only--\$25.00.

(d) Raffles only--\$50.00.

(Ord. No. 17384, Sec. 1, 8-7-86)

Cross reference(s) --Uniform license procedures generally, Ch. 310.

Sec. 402.09. Compliance with state law.

Organizations shall, in the conduct of gambling permitted by the city council, comply with the provisions of all laws and ordinances, including Minnesota Statutes, Chapter 349 and this chapter.

(Oral. No. 17384, Sec. 1, 8-7-86)

Sec. 402.10. Use of gambling profits.

Profits from lawful gambling may be expended only for lawful purposes as authorized at a regular meeting of the conducting organization. Organizations holding a Class A or Class B State of Minnesota Charitable Gambling License to conduct bingo and for the sale of pull-tabs, tipboards and paddlewheels shall pay to the Youth Program Fund, or to one (1) or more eligible recipients on the list established pursuant to section 409.235, following the procedures established therein, ten (10) percent of the monthly net profits from each Saint Paul site at which charitable gambling operations are conducted from the sale of pull-tabs, tipboards and paddlewheels.

(Ord. No. 17384, Sec.1, 8-7-86; Ord. No. 17549,§1, 4-7-88; Ord. No. 17652,Sec.1, 6-1-89; Ord. No. 17925, Sec. 3, 5-28-92)

Sec. 402.11. Reports.

The permitted organization shall file with the inspector within thirty (30) days of each gambling occasion permitted a copy of the reports required to be filed with the State Charitable Gambling Control Board pursuant to Minnesota Statutes, Section 349.214, subdivision 2.

(Ord. No. 17384, Sec. 1, 8-7-86)

Sec. 402.12. Compensation.

No compensation shall be paid to any person, including the manager, in connection with the operation of the permitted lawful gambling conducted pursuant to a city permit. No person who is not an active member of the permitted organization, or its auxiliary, or the spouse or surviving spouse of an active member, may participate in the organization's operation of a permitted gambling occurrence.

(Ord. No. 17384, Sec.1, 8-7-86)

Sec. 402.13. Owned/leased premises.

An organization conducting the permitted lawful gambling shall do so only on premises either owned by it or pursuant to a written lease agreement with the owner of the property. Copy of the lease agreement shall be filed with the inspector.

(Ord. No. 17384, Sec. 1, 8-7-86)

Sec. 402.14. Gambling managers.

All operation of gambling devices and in the conduct of raffles pursuant to city permit shall be under the supervision of a single gambling manager designated by the organization. The gambling manager shall be responsible for gross receipts and profits from gambling devices and raffles and for its conduct in compliance with all laws and rules.

(Ord. No. 17384, Sec. 1, 8-7-86; Ord. No. 17416, Sec.1, 11-20-86)